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Transmitting to Fax #: (916) 319-7348
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To: Neil Johnson
Company Name: California Integrated Waste Mgmt Board
From: Erin Field *EF*

MESSAGE:

Neil,

Western Growers comments on the plastic sheeting mil fee are attached for your review and consideration. Please contact me at (916) 446-1435 if questions.

Thank you.



February 8, 2005

VIA FACSIMILE: (916) 319-7348

Neil Johnson
California Integrated Waste Management Board
P.O. Box 4025
Sacramento, CA

**Re: Comprehensive Film Plastic Diversion and Management Action Plan
and Plastic Trash Bag Program Report to the Legislature**

Dear Mr. Johnson:

On behalf of Western Growers, thank you for the opportunity to provide written comment on the California Waste Management Board's December 17, 2004 draft of the Comprehensive Film Plastic Diversion and Management Action Plan and Plastic Trash Bag Program Report to the Legislature. Western Growers is an agricultural trade association representing 3,000 members who grow, pack, and ship 90% of the fresh vegetables and approximately 70% of the fresh fruit and nuts grown in California and Arizona. Our production constitutes more than one-half of the nation's total fruits, nuts and vegetables.

The specialty crop industry accounts for approximately half of the farm gate value of U.S. agriculture and is unique both in its diversity, including over 250 commodities, and its free market structure. Yet, as with other sectors, increased globalization is changing the face of California agriculture. Specialty crop farmers are under immense pressure to squeeze higher efficiency from their operations in order to compete with producers in foreign countries that have significantly lower labor costs, face fewer regulatory and environmental restrictions and less financial burdens. Fruits, vegetables and nuts, which account for 10% of the total value of U.S. agricultural exports, have gone from a trade surplus of over \$600 million in 1995 to a trade deficit of over \$2.1 billion in 2003.

Western Growers members use a considerable amount of plastic material in the process of growing, packing, and shipping fresh fruit and vegetables. The proposed mil fee, if implemented, would have a drastic negative impact on the competitiveness of Western Growers members, especially members producing value-added products. Western Growers is particularly concerned about the following items:



Fresh produce from our families to yours.

- What will the Memorandum of Understanding (MOU) development process consist of? What method will be used for negotiations? What dispute resolution process will be used?
- The classifications for plastic product do not include a detailed list of plastic products to be covered by the various MOUs. What specific products will be covered under the Non-Bag Commercial/Industrial Film and Other/Miscellaneous Film product classifications?
- Why is a blanket mil fee being proposed on all participants if diversion targets are not met? Why should an entire classification or industry be punished for the shortcomings of a few? An incentive based program rather than a universal fee may be more effective in reaching the Board's zero waste policy.
- The report proposes a .4 cent to 1 cent per pound mill tax. How was this range determined by the board?
- The report states mil fee revenues collected would be utilized to support film plastic collection and processing facilities and activities. Would such funds be utilized for public, private, or public-private facilities? What method would be used to determine how said revenues are spent?

Western Growers appreciates the opportunity to provide written comment. Please contact me at (916) 446-1435 if you have any questions.

Sincerely,

Erin Field
Government Affairs Analyst